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WEATHER
PAGE 4

—FAIR

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LATINS CONTINUE
COUNTERATTACKS
AGAINST INVADERSOnly Activity of Note Re-
ported West of Bre-
na River.PEACE PARLEY SITUATION
CONTINUES MUCH FOGGEDGermans Said to Have Made No
Answer, and Requested
Month's Delay.

WEMYSS SUCCEEDS JELICOE

American Government Will Exercise
Great Forbearance in Deal-
ing With Russians.Except on the northern Italian front,
the military operations continue far
below normal. In France, where snow
has fallen along the entire front, only
bombardments and small raiding op-
erations are taking place.West of the Brenna River, in the
Italian highlands, the Italians, Christ-
mas Day, continued their counterat-
tacks upon the Austro-German forces
which previously had succeeded in
making gains on Col del Bozzo and
Monte de Val Berta. The battle waged
throughout the morning with great
violence, and the Italians wrested sev-
eral of their former positions from
the enemy, but owing to renewed on-
slaughts by the Austrians, the forces
were again compelled to give ground.The Berlin War Office admits that
the Italians threw heavy counterat-
tacks against the invaders on the Col
del Bozzo and neighboring sectors, but
asserts that all of them broke down
under heavy losses.The situation surrounding the peace
parleys between the Austro-German
forces and the Russians is still be-
clouded, owing to lack of details be-
ing permitted to come through. At
last accounts, the Germans had not
only failed to return an answer to the
demands made by the Bolshevik dele-
gation, but had requested that the ne-
gotiations be extended for virtually
another month. Meantime, a German
commission has started for Petrograd
from Berlin in an endeavor to restore
relations between Germany and Rus-
sia and also to reach a settlement with
the Russians for an exchange of civi-
lian and incapacitated war prisoners.As a war measure, President Wilson
has issued a proclamation taking un-
der government control from next Fri-
day at noon the operation of all rail-
roads in continental United States.
Secretary of the Treasury McAdoo has
been appointed director-general of
railroads. He will retain his Treasury
portfolio.Only twelve British merchantmen
were sunk by mines or submarines last
week, as against seventeen the week
previously.Vice-Admiral Sir Rosslyn Wemyss,
second sea lord, has been promoted to
the rank of first sea lord of the
British Admiralty, succeeding Admiral
Sir John Jellicoe. Admiral Jellicoe has
been made a peer.

EXERCISE FORBEARANCE

WASHINGTON, December 26.—Great
forbearance and patience will be ex-
ercised by the American government in
dealing with the chaotic Russian situa-
tion, because it is realized that the
intrigue, working through thin dis-
guised agents within the ranks of the
Bolsheviks, is doing its utmost to bring
about a breach between the United
States and Russia.It was authoritatively stated that
American representatives in Russia,
diplomatic, economic and others, will
carefully avoid any interference with
the internal policies of the country, and
will be guided in their conduct by the
strictest rules of neutrality as between
the Russian factions. It is the pur-
pose to permit the Russian people
themselves to work out their own sal-
vation, free from any American inter-
ference.There still is a deep-seated convic-
tion in administration circles that
within a reasonable period of time a
satisfactory and probably permanent
government of democratic form will
be developed from the present turmoil.
Dispatches to the State Department
show that every opportunity is being
seized upon by the German agents to
misrepresent the attitude of America
towards the Bolshevik movement, and
particularly to inflame the excitable
Russian public against the personnel
of the American embassy and its head,
Ambassador Francis.Much has been made of the failure
of the ambassador to extend official
recognition to the Lenin regime as it
did to the first revolutionary govern-
ment under Loeff and Milukoff, and
now the tension has become acute over
the routine efforts of Ambassador
Francis to assist the Red Cross in its
work in Southern Russia and Rou-
mania, which have been distorted into
a purpose to aid a counter-revolution
under Kaledines.

BRITISH SHIPPING

LOSSES SHOW DECREASE

LONDON, December 26.—The losses
to British shipping show a material
decrease for the past week. According
to the Admiralty report to-night, eleven
British merchantmen of 1,600 tons or
over were sunk during this period by
mines or submarine, as well as one
merchantman under that tonnage and
one fishing vessel.For the week ended December 19,
seventeen British merchantmen were
(Continued on Second Page.)Kaiser and Staff
Have Narrow Escape(By Associated Press.)
GENEVA, December 26.—The Ger-
man Emperor, returning with his
staff from the Verdun front, had a
narrow escape during the reprisal
raid of a British air squadron on
Mannheim Christmas Eve, accord-
ing to a dispatch from Basel. Only
about an hour earlier the Emperor's
special train left the station, which
was partly destroyed by several
bombs. A section of the tracks was
torn up, cutting communication
north.In fact, the Emperor's train was
the last to leave Mannheim, and no
trains arrived at Basel yesterday
from that city. Two bombs fell on
the palace and one on the suspension
bridge across the Neckar River, both
structures being badly damaged. An
ammunition factory in the northern
suburb was blown up. Few persons
were killed here, however, as the
employees were having a holiday.
A considerable number of persons
were killed or injured within the
town and several were blown into
the Rhine.OFFICERS' CAMP OPENS
AT CAMP LEE JANUARY 5Enlisted Men Wondering Who Will
Form Their Quota for
Commissions.

450 TO BECOME OFFICERS

Number of Applicants Reduced to
900 by Process of Elimination.
2,000 Engineer Officers Also to
Train There.CAMP LEE, December 26.—Who will
be appointed to the third training camp
for line officers is the most important
topic before the men of the Eighteenth
Division. The camp will open on Janu-
ary 5, and will have approximately 450
candidates for commissions, who are at
present privates or noncommissioned
officers at this place. The number of
applicants has been reduced by the
process of elimination. The camp will
train 2,000 engineer officers also.It was an excellent lot of men that
were examined this afternoon. They
were the pick of the National
Army, and final selection will mean an
unusual compliment to the intelligence
and efficiency. The successful candi-
dates will not be made known until
immediately before they are to be trans-
ferred from their commands to the
training camp.Candidates for the engineers' train-
ing camp are being examined sepa-
rately and appointment to the engi-
neers' camp is not dependent upon a
percentage of the enlisted personnel of
any command. Most of the engineer
candidates are at present noncommis-
sioned officers in the 365th Engineers,
but a few men who have received en-
gineering education are now assigned
to duty with other commands in the
division and are being examined by
the engineers' examining board. This
is composed of Major E. H. Roper, Cap-
tain W. R. Grunow and Lieutenant S.
H. Sherred. This board recommends
such applicants as they deem capable
and final action is in the hands of
Colonel George R. Spalding, the com-
manding officer of the 365th Engineers.THOUSAND ENGINEERS
ALREADY COMMISSIONED
It was learned to-day that of the
2,000 men who will attend the engi-
neers' training camp, 1,000 have al-
ready received commissions, but will
be assigned to duty at the school to
receive the additional instruction nec-
essary for their success as an army
engineer. All have established them-
selves in civil life as civil engineers
prior to the receipt of their commis-
sion. One thousand of the men to be
at this school are now enlisted men
in the army of the United States.Rehearsals for the minstrel show of
the Hundred and Eighteenth In-
fantry have begun, under the direction
of Captain S. J. Raymond. The initial
performance of the troupe will be given
in Richmond the latter part of January.
Special costumes have been purchased
from a Philadelphia theatrical house,
and with the excellent material in the
company a creditable show will be pre-
sented. The regimental band will take
part in the performance, as will the
regimental chorus of several hundred
voices. The members of this regiment
presented a performance in Richmond
on Thanksgiving night which was fa-
vorably criticized by all who saw it.Drills were not held to-day, as the
four inches of snow that covered the
drill fields prevented outdoor work. It
added another day to the Christmas
holiday period.Officers of the division are expecting
the 3,000 men who will attend the
camp in the immediate future. The ar-
rivals at camp for the past month have
been negative, but as soon as the hol-
iday rush of railroad traffic has slack-
ened, it is believed that the men due
from West Virginia and Pennsylvania
will be forthcoming. West Virginia
still owes 2,000 men, and Pennsylvania
is due 7,000. Virginia's quota is prac-
tically complete.

FRITZ JOINS RED CROSS

Six Germans, Recruited by Whip, Help
Texas Town Exceed
Quota.BRENTHAM, TEX., December 26.—Be-
cause they refused to subscribe to the
Red Cross, six German farmers were
whipped by a committee of citizens ap-
pointed for the purpose. Following the
whipping, they agreed to subscribe.
Brentham has now exceeded its quota.DEMANDS BETTER
CLOTHING SUPPLYCommittee Directs That Needs
of Soldiers Be Learned
by Wire.

RELIEF WANTED AT ONCE

Men in Camps to Be Supplied
From Sources Nearest
to Them.

(By Associated Press.)

WASHINGTON, December 26.—The
first direct information regarding the
equipment of American fighting men in
France and American training camps
was reached to-day by the Senate Mil-
itary Committee in resuming its in-
quiry into army operations, and the
committee proceeded independently to
remedy winter clothing shortages in
the latter.From Major-General John E. O'Ryan,
commander at Camp Wadsworth, Spar-
tansburg, S. C., and former head of the
New York National Guard, who re-
cently returned from inspecting the
American operations abroad, the com-
mittee heard of general conditions
both among General Pershing's men
and cantonments in this country.Before examining General O'Ryan
for three hours behind closed doors,
and an hour in public, the committee
unanimously adopted a resolution by
Senator McKellar, of Tennessee, re-
questing Secretary Baker to set at
once to furnish winter clothes at the
camps where shortages exist, and to
set aside departmental "routine" to
get clothing if necessary. The resolution
was approved after Senator Mc-
Kellar presented information he ac-
quired by telegraphing all cantonment
commanders.Although most of General O'Ryan's
testimony was confidential in ex-
ecutive session, he told the committee
that the vital need in the war is ar-
tillery. Heavier clothing for ar-
tillery forces sent abroad also was recom-
mended by General O'Ryan, who is
said to be the youngest American ma-
jor-general.

SAYS CAMP WADSWORTH

IS ADEQUATELY SUPPLIED

There has been no shortage of cloth-
ing or other supplies at Camp Wad-
sworth, General O'Ryan said, virtually
everything sufficient for training pur-
poses, he stated, having been furnished,
but he said the equipment was not
sufficient for war campaigning. "Food,"
he said, has been plentiful and of good
quality.That it requires at least a year to
evolve soldiers from inexperienced men
was the opinion given by General
O'Ryan, who said actual training un-
der shell fire is essential. He believed
the men at his camp should be trained
at least two months longer before be-
ing sent abroad for the intensive train-
ing. Establishment of training camps
in the Southern States also was ap-
proved by General O'Ryan.Major-Generals William Wright and
Edwin St. John Greble, commanders at
Camp Doniphan, Okla., and Bowie,
Texas, respectively, who also have re-
turned from inspection tours abroad,
soon will be called before the com-
mittee. If they do not arrive to-mor-
row, the committee will proceed with
Major-General Sharpe, quartermaster
general, into the inquiry into clothing,
cantonment and transportation situa-
tions, closing to-morrow's session early
so that Senators can attend the funeral
of Senator Newlands, of Nevada.Mrs. Grace Humiston, of New York,
who has investigated social conditions
at training camps, and was recently
removed by Secretary Baker, conferred
to-day with Chairman Chamberlain,
who told her in a written statement
if she had any information to
give the committee.

RESOLUTION SHOWS

SHORTAGE OF GARMENTS

The resolution, offered by Senator
McKellar, of Tennessee, declared that
upon "unquestioned proof" there is a
shortage of at least 20,000 overcoats
and 47,000 woolen blouses in nine Na-
tional Guard cantonments. Quarterm-
aster-General Sharpe, who testified
last week, admitted shortage of winter
equipment in some camps, but said all
necessary supplies have been shipped
and soon would be received. The resolu-
tion says:It appearing to the committee from
unquestioned proof adduced before it
that many enlisted men in Camps
Doniphan, Sharpe, Kearney, Dix, Jack-
son, Grant, Custer, Beauregard and in
the camp at Port Worth, Tex., are
without woolen blouses and overcoats,
the combined shortage in the several
camps above named being not less than
20,000 overcoats and 47,000 woolen
blouses, this committee hereby requests
the Secretary of War to take imme-
diate steps to supply said enlisted men
with overcoats and woolen blouses.

TO WIRE ALL CAMPS

TO LEARN NEEDS

It further appearing that there may
be shortages of said articles at Camps
Dodge, Doniphan, Funston, Wadsworth,
Fremont, Sheridan, Green and Pike, and
perhaps other camps, the Secretary of
War is also requested to ascertain by
wire to-day if any other shortages of
clothing exists in any of our camps, and
if so, that he direct that such shortage
be supplied immediately.It is the sense of the committee,
that, with the cold season now on, the
usual routine shall be suspended as to
this matter, and that the command-
ing officers of the several camps shall
be directed, if this is the quickest way,
to buy these articles at the nearest
points to their camps at which they
can be obtained, so that our soldiers
may be supplied with such.The clothing situation was discussed
by the committee in executive session.
Senator McKellar submitting details of
(Continued on Third Page.)WAR RESPONSIBLE
FOR COAL FAMINEDemands on Railroads So Great
Shipments Are Badly
Tied Up.

PUBLIC TO GET MORE FUEL

Dr. Garfield Says More Attention
Will Be Given Needs
of People.

(By Associated Press.)

WASHINGTON, December 26.—Much
of the effect of the fuel administra-
tion's work has been nullified, Fuel
Administrator Garfield told the Sen-
ate committee investigating the coal
situation to-day by the transportation
tie-up. He said little general relief
could be expected until the railroads
were put under one management, and
that if the war continued a long time
it would be necessary for the govern-
ment to take over the coal supply and
parcel it out equitably.The administrator's efforts have
been directed to a great extent to
the stimulation of production to meet
demands of the war, but Dr. Garfield
said, because of the traffic congestion
"the more we produced the more trou-
ble we added to the railroads." The
normal 10 per cent increase over the
production of last year has been main-
tained, he added, though the war has
brought a demand for an additional
10 per cent over the 1916 output, which
has not been met.In the past few days the private con-
sumer has been given more considera-
tion than heretofore, Dr. Garfield ex-
plained. At first the main idea was
to supply the government and the rail-
roads, but with the suffering due to
the shortage in many places, he said,
the administration recently had devoted
most of its time to attempting to get
coal to places where it was most need-
ed. Conditions already are better, he
stated, though the situation was not
well in hand and would not be until
transportation facilities were im-
proved.Dr. Garfield said he was not familiar
with dividends many of the coal com-
panies were paying, but that he be-
lieved many operators were making
more money than ever before.

GOOD PRICES ESSENTIAL

TO DESIRED PRODUCTION

Good prices he regarded as necessary
to large production.
Senator Vandaman, a member of the
committee, insisted that the operators
were "plundering and robbing" the peo-
ple and the whole power of the fuel
administration should be employed to
stop it.When the operators complain that
prices fixed by the President are too
low, we are inclined to give them the
benefit of the doubt," Dr. Garfield said.
Senator Kenyon asked the adminis-
trator if he had information of divi-
dends of some of the large operators,
and he answered that he had no ac-
curate figures on them and could not
furnish them. He knew, however, that
big profits were being made, but he
believed it necessary to stimulate pro-
duction.Private consumers have felt the
shortage because the government has
come first in its demands, but that rule
has been changed in the last few days,
Dr. Garfield said.We are giving it to the people first
now," he said. "With a discontented
people we could not make much pro-
gress in the war."Conditions are much better now, he
said, and added:I can guarantee that we have the
situation well in hand."Dr. Garfield said he did not want to
place blame for lack of transportation
on any one nor did he want to try
to shift blame that might be attached
to his administration. He added that
it was impossible for the railroads to
cope with the situation.

COAL SITUATION CAUSES

RAILWAY CONGESTION

Congestion is responsible for one-half
the trouble because thousands of cars
are being backed up at bottle-neck
points, but said the railroads have
endeavored to move large amounts
of coal. "The only thing that
do is just what we have done—ask
Judge Lovett for a priority order for
coal and to appeal to the operators to
shoot whatever coal they can to points
where most needed. That has helped
in some respect."Dr. Garfield mentioned Pittsburgh,
Cincinnati and Toledo as examples of
bottle-neck points, but said there
were many others. Mines in Eastern
West Virginia are shipping West, and
those in the Western part shipping
East, causing congestion at meeting
points. A change involves great detail
in changing contracts which are closed
until next April, he said.Unless conditions are improved I
may advocate these contracts and di-
vert shipments to prevent congestion,"
Dr. Garfield said.I think that a wise plan," remarked
Senator Kenyon.

NATIONAL COAL SHORTAGE

NOW AN "ACTUAL FACT"

(By Associated Press.)
NEW YORK, December 26.—A na-
tional coal shortage, due to the wiping
out of the reserve supply and the in-
creased consumption, is an "actual
fact," and must be faced by the small
consumer with the practice of the
most conservation, according to a
report of the New York State fuel
conservation committee, filed to-day
with Albert J. Wiggins, State fuel ad-
ministrator.The committee, to assure the needs
of the small consumer in New York
State, has devised a plan for the dis-
tribution of coal on the "card system"
basis, and recommends its adoption as
a conservation measure.McADOO CONTROLS
NATION'S RAILWAYSPresident Wilson Issues Statement
Concerning American Road Control(By Associated Press.)
WASHINGTON, December 26.—
President Wilson to-night issued
the following statement in connec-
tion with his proclamation calling
for governmental control of all
railroads in the United States:I have exercised the powers over
the transportation systems of the
country, which were granted me by
the Act of Congress of last August,
because it has become imperatively
necessary for me to do so. This is
a war of resources no less than of
men, perhaps even more than of
men, and it is necessary for the
complete mobilization of our re-
sources that the transportation
systems of the country should be
organized and employed under a
single authority and a simplified
method of coordination which have
not proved possible under private
management and control.The committee of railway execu-
tives, who have been co-operating
with the government in this all-im-
portant matter, have done the ut-
most that it was possible for them
to do; have done it with patriotic
zeal and with great ability; but
there were difficulties that they
could neither escape nor neutralize.
Complete unity of administration is
the present circumstance involves
upon occasion and at many points a
serious dislocation of earnings, and
the committee was, of course, with-
out power of authority to renege
charges or effect proper compensa-
tions and adjustments of earnings.Several roads which were will-
ingly and with admirable public
spirit accepting the orders of
the committee have already suffered
from these circumstances, and
should not be required to suffer
further. In more fairness to them,
the full authority of the government
must be substituted. The govern-
ment itself will thereby gain an
immense increase of efficiency in
the conduct of the war and of the
unnumbered activities upon which
its successful conduct depends.The public interest must be first
served and, in addition, the financial
interests of the government and the
financial interests of the railways
must be brought under a common
direction. The financial operations
of the railways need not then inter-
fere with the borrowings of the gov-
ernment, and they themselves can
be conducted at a greater advantage.LABOR TROUBLES CAUSE
OF SHIPBUILDING DELAYRaymond B. Stevens, Vice-Chairman
of Shipping Board, So Testifies Be-
fore Senate Committee.

CONSCRIPTION NOT FAVORIED

Says Bonus System Used on Pacific
Coast May Be Used in East if
Proved Successful—Strikes Cause
Loss of Many Working Days.

(By Associated Press.)

WASHINGTON, December 26.—Labor
troubles were blamed for much of the
delay in the government's shipbuild-
ing program by Raymond B. Stevens,
vice-chairman of the Shipping Board,
testifying to-day in the Senate Com-
merce Committee's investigation.Since the United States went to war,
Mr. Stevens said, ship yards have lost
a total of 535,922 working days by
strikes and other disputes. This, he
figured, represents the work of 29,000
men for a month. Happily, said Mr.
Stevens, the situation is improving by
reason of measures taken by the board
to adjust differences wherever they
arise.Senators took a lively interest in
the story of the labor situation, and
the inquiry turned to the whole sub-
ject of labor and its position during
the war. Questions as to the wisdom
of conscription of labor for shipyards
and other government work drew from
Mr. Stevens emphatic opposition to
any attempt to force civilians to work
under prescribed conditions and gov-
ernment-fixed wages.Telling of the board's work in estab-
lishing, with the aid of the Labor De-
partment, employment agencies on the
Pacific Coast, Mr. Stevens said that,
with their institution also in the East,
the board hoped to obtain from other
industries as many men as it needs.
He added that an appropriation would
be needed to provide housing facilities
at isolated plants.

NUMBER OF WORKMEN

SHOULD BE DOUBLED

The number of men should actually
be more than doubled," said he. "If we
are to accomplish our full aims, Rough-
ly, there are now about 150,000 men
engaged in shipbuilding. We could use
from 200,000 to 300,000 more. We are
obtaining new men gradually now, and
hope to obtain them much faster later
on. Recently 105 days reported they
could use immediately 20,000 more
men."Mr. Stevens described a bonus sys-
tem instituted in Pacific Coast yards,
and said if it proved successful an
extension to the East was planned.Is not that an excess profit you
are paying?" asked Senator Nelson.We do not consider it as such," Mr.
(Continued on Third Page.)Investors in railway securities may
not be assured that their rights and
interests will be as scrupulously
looked after by the government as
they could be by the directors of the
several railway systems.Immediately upon the reas-
sembling of Congress I shall recom-
mend that these definite guarantees
be given; first, of course, that the
railway properties will be main-
tained during the period of Federal
control in as good repair and as
complete equipment as when taken
over by the government, and, sec-
ond, that the roads shall receive a
net operating income equal in each
case to the average net income of
the three years preceding June 30,
1917; and I am entirely confident that
the Congress will be disposed in this
case, as in others, to see that justice
is done and full security assured to
the owners and creditors of the
great systems, which the govern-
ment must now use under its own
direction or else suffer serious em-
barassment.The Secretary of War and I
agreed that, all the circumstances
being taken into consideration, the
best results can be obtained under
the immediate executive direction of
the Honorable William G. McAdoo,
whose practical experience peculiarly
fits him for the service and whose
authority will enable him to co-ordinate
as no other man could, the many
financial interests which will be in-
volved, and which might, unless
systematically directed, suffer very
embarrassing entanglements.The government of the United
States is the only great government
now engaged in the war, which has
not already assumed control of this
sort. It was thought to be in the
spirit of American institutions to
attempt to do everything that was
necessary through private manage-
ment, and if zeal and ability and pa-
triotic feeling could have accom-
plished the necessary unification of
administration, it would certainly
have been accomplished; but no zeal
or ability could overcome insuper-
able obstacles, and I have deemed
it my duty to recognize that fact
in all candor, now that it is demon-
strated and to use without reserve
the great authority reposed in me.
A great national necessity dictated
the action and I was therefore not
at liberty to abstain from it.

WOODROW WILSON.

SECRET SERVICE WORK
IS DIRECTED BY WOMANDesignated Only as "H," She Shaped
Activities of Franz Schu-
lenberg, "Master Spy."

PRESIDENT DIRECTS ARREST

She Is Revealed as Agent of Wolf
Igel, Who Was Alleged Head
of Kaiser's Espionage System in
United States.

(By Associated Press.)

SAN FRANCISCO, December 6.—A
woman designated only as "H," and
said to be prominent in the German
secret service, directed the activities
of Franz Schulerberg, alleged master
spy held here on a presidential war-
rant, according to information dis-
closed to-day by Federal officials.
Schulerberg is said to have been ac-
tive in plans to destroy bridges and
public buildings in Canada and ship-
ping and warehouses in Pacific ports.
Officials said the woman barely es-
caped arrest here four weeks ago, the
day before Schulerberg was captured.
The clue to her part in Schulerberg's
operations was revealed in a letter
found among his effects. It instructed
Schulerberg to meet her in Los An-
geles. Investigation showed, officials
said, that the woman had been an agent
of Wolf von Igel, former secretary to
Franz von Papen, military attache of
the German embassy at Washington,
and alleged head of the German es-
pionage system in this country. She
was described as a person of birth and
education, a brunette, thirty-five years
old.According to Federal officials the
woman sent Schulerberg to the United
States in 1914 for the alleged purpose
of assisting in the maintenance of
contraband wireless stations supported
by the German government for the pur-
pose of gaining military information
and transmitting it to Berlin.

FURTHER REVELATIONS

OF HER ACTIVITIES

Further revelations concerning
Schulerberg's activities disclosed to-
day showed that in February, 1915, he
inserted an advertisement in Spokane,
Wash., newspapers looking to the pur-
chase of a tract of land on which to
colonize several hundred Spanish fam-
ilies. These families, Federal officials
said, were Hindus and the purpose of
their colonization was to permit them
easy entrance into Canada where they
were to obtain military information
and facts concerning the movements of
Canadian vessels to assist in raiding
warfare conducted in the Pacific
ocean by the Germans. The coloniza-
tion plan did not materialize.Some of Schulerberg's activities, ac-
cording to the authorities, have been
traced to Ram Chandra, a Hindu, on
(Continued on Third Page.)GOVERNMENT IN
CHARGE OF EVERY
ROAD ON FRIDAYPresidential Proclamation
Affects All General Trans-
portation Companies.COMPLETES UNIFICATION
OF ENTIRE RAIL SYSTEMOnly Exception Made Relates
Specifically to Interurban
Organizations.

EARNINGS ARE GUARANTEED

Will Cost Government \$100,000,000
to Insure Net Operating In-
come Provided For.

(By Associated Press.)

WASHINGTON, December 26.—Gov-
ernment possession and operation of
the nation's railroads for the war was
proclaimed by President Wilson to-
night, to become effective at noon next
Friday, December 28. William G. Mc-
Adoo, retaining his place in the Cabinet
as Secretary of the Treasury, is placed
in charge as director-general of rail-
roads.